



Consultation Unit  
Department for Children, Schools and Families  
Area GB  
Castle View House  
East Lane  
Runcorn  
Cheshire  
WA7 2GJ

2 October 2009

Dear Colleague,

***Re: Consultation on the Children, Young People and Families Grant Programme to third sector organisations***

Children England is pleased to have the opportunity to submit a response to the DCSF consultation on the *Children, Young People and Families Grant Programme to third sector organisations*.

Children England is the leading membership organisation for the children, young people and families voluntary sector. With member organisations working in all parts of the country, ranging from small local groups to the largest household names in children's charities, Children England is in a unique position to use the collective voice of the voluntary sector to achieve positive change for children. Children England provides capacity building, support and information to its members and the wide range of voluntary sector organisations working with children, young people and families. It does this by building active networks, promoting good practice, stimulating policy debate and ensuring that the issues that matter most to its members are taken up with decision makers.

Children England strongly welcomes the Government's continued support for a mixed-funding economy in working with the voluntary and community sector. The CYPF grant sends a clear message to funders at both national and local level about the importance of grants in stimulating innovative work whilst enabling voluntary sector organisations to diversify their programmes and client base – this is particularly crucial in an economic climate which has increased demand for VCS services whilst cutting back on the financial

resources available to support them. The grant is one way of strengthening mutually-supportive relationships between the Third sector and the DCSF. It also enables the DCSF to meet its strategic and policy objectives whilst enabling the VCS to continue to develop new ways to support children, young people and families. To date this has helped support a great many VCS organisations to deliver the best outcomes for children, young people and families and enable them to influence policy at the strategic level.

However, it is apparent that the great number of applications made to the grant is not solely a reflection of its success and flexibility. Often VCS organisations are not clear in what the DCSF is trying to achieve in the grant round and as such the DCSF receives many unsuitable applications – causing disappointment for those VCS organisations which have spent time putting in an application, and extra bureaucracy for the DCSF. It is right that this is addressed through tightening the criteria for application. However, this must not result in extra bureaucracy for VCS applications who are often ‘time poor’, nor should it result in the total exclusion of small, localised VCS organisations who are well-placed to deliver highly innovative personalised, support to some of the most isolated and vulnerable children, young people and families, and would benefit from the opportunity to share their work.

Our key points on the consultation document are below:

#### **1. Scope and purpose of the CYPF Grant programme ( Questions 1 to 4)**

- i. Children England believes that there is a continuing role for the CYPF grant as a flexible source of funding which is aligned to the five Every Child Matters outcomes. Having a single point of access for applying enables VCS organisations to quickly and clearly see how their work helps to achieve these outcomes whilst reducing the time it takes to search for different funding sources. In addition there have been significant improvements in the application and monitoring processes which have made the grant less time consuming to manage from the sector’s point of view. A great strength of the grant lies in this flexible approach, which mirrors the holistic work many VCS organisations carry out with children, young people and families – their work and the support they offer is often not easily compartmentalised and using the ECM outcomes as the criteria for application reflects this.
- ii. Children England supports the DCSF in aiming to make more explicit the purpose and objectives of the grant in meeting identified DCSF objectives and priorities. We also support the aspects of the grant which aim to facilitate VCS involvement and influence in national policy discussions and debate as well as a more traditional role in service delivery. The opening up of influence and involvement to the VCS as a strategic ally as well as a delivery partner will ensure that the DCSF not only funds wisely, but that the needs of children, young people and families are best met and outcomes are improved. This is of particular importance for those VCS organisations

that have detailed knowledge and expertise in working with the most hard to reach families which often are not engaged with statutory services. It may be that a small grants scheme administered by umbrella bodies within the sector might be a more cost effective and accessible way of reaching these groups and drawing on their expertise.

- iii. Children England supports the proposed criteria for both the strategic and innovation funding. However, a note of caution does need to be flagged up with regard to those VCS organisations which are under increased demand for services as a result of the current economic downturn, seeking to diversify and accommodate increasing numbers of service users who require support at this most difficult of times. They provide a vital touchstone for vulnerable families who are coping with the fall-out of recession – unemployment, increased family pressures and financial worries. These organisations are likely not to be ‘innovating’ in the way the DCSF criteria would identify, but are looking to expand existing provision to meet increased demand. These organisations often provide vital underpinning for statutory services and other voluntary provision. DCSF has a role in championing the Third sector at local level and encouraging the maximum local and central government support for the valuable work such organisations do.
- iv. Continuity of funding is vital for all VCS organisations and for the families they serve. As such we support the criteria for funding laid out in the Compact for concurrent three-year funding. The DCSF has a role as a national strategic body for setting an example to local funders and others in embedding the practice and the principles of the Compact in this matter. If funding is to be for any less than three years then a clear case must be made for the reasons behind a more targeted approach, and support provided for groups to gain continued funding where appropriate, for the innovation initially funded by the CYPF grant.

## **2. Communications and sharing best practice (Questions 7 to 11)**

- i. Communication with the Third sector team has improved a great deal over the past three years on all aspects of the grant process from application through to monitoring and payment arrangements. However other communications still leave room for improvement. There is not enough information available on the web site or in written reports of the grants awarded to enable organisations to decide if this is a project they may wish to know more about, or which may link with work they already do.
- ii. There are currently no organised forums or meetings where DCSF grant holders can come together to share work and learning. OTS strategic partners meet twice per

year in a forum which both allows sharing between grant holders, but also enables OTS to consult on their priorities or early policy thinking. DCSF may wish to consider an appropriate similar arrangement which might also include the third sector organisations under contract to deliver support to the Dept outside the CYPF grant process, but are never the less, Third sector “partners “in some way.

- iii. Children England would welcome greater clarity from the Department about the implications of certain policy initiatives for the Third sector. This would help us prepare the membership and the wider sector for changes required to their practice or approach, as well as having the added advantage of ensuring that colleagues across all sections of the Dept better understood the cumulative impact of their various initiatives on the sector.
- iv. It would also be helpful to have a who’s who in the Dept, regularly updated, so that partners can contact the correct person or team on an enquiry and give accurate information to others in the sector seeking that information.

### **3. Payment and monitoring arrangements (Questions 12 to 16)**

- i. The payment and monitoring procedures have improved greatly over the past three years. We receive payment on time and if needed, in advance. Monitoring is proportionate and focused on outcomes with little or no repetition or double reporting required.
- ii. We would be able to squeeze more value from our grant if it were to be given on an unrestricted basis. This makes accounting more flexible, enables us to add value by combining funds and assists with timeframes for delivery. Our OTS grant is unrestricted ( as the DCSF grants used to be) so we know this arrangement can work well, with no loss of accountability to the funding department.
- iii. We are not convinced that the Dept makes best (or indeed any ) wider use of the information we share as part of our monitoring/ feedback. Children England has a wealth of information on the struggles and successes of regional infrastructure support, delivering relevant, timely, information and policy support to a diverse sector and intensive work with small organisations; all funded by the Dept , but with little opportunity for us to share that learning within the department which paid for it. This is both frustrating for us, and other grant holders, and represents a loss of value from the funding which could be gained by the Dept. We and other grant holders, are often in the strange position of having to argue and lobby to influence the Dept with the lessons or good practice examples it has already paid for!

iv.

#### 4. Looking more widely (Questions 17 to 19)

- i. In developing better ways of working with the voluntary and community sector transparency is crucial. Jargon busting sheets and clearer explanations of key terms such as *outcomes* and *outputs* help the VCS in making sense of what they are applying for and how they will be monitored. This enables VCS organisations to make better choices about what they choose to apply for.
- ii. The same transparency is required with regard to funding criteria and monitoring and evaluation requirements alongside timescales. Without this information upfront organisations are hard pushed to make important decisions about whether they have the capacity and systems in place to meet the demands of funders.
- iii. With regard to looking beyond the CYPF grant, the DCSF can do more to improve its relationship with the third sector by looking at and acting on the evidence of what is already happening on the ground, particularly with regard to competitive commissioning and tendering. Research commissioned by the DCSF and studies undertaken by Children England and others in the sector, plus the *Are We There Yet?* Report from the Audit commission show that statutory providers have considerable advantages over third and private sector agencies in competitive tendering systems. The problems of competitive commissioning for the voluntary and community sectors are well known, yet the DCSF continues to widen this unfair advantage by putting large amounts of resources into supporting statutory sector infrastructure which are not mirrored by the investment in infrastructure support for other sectors. C4EO, the Commissioning support programme, structural resources for the roll out of Aiming High for Disabled Children and the implementation of the Integrated Youth Support Services, not to mention the resource provided by IDeA all compound the advantages of the local state in competitive terms.
- iv. Children England in conjunction with other voluntary and community sector groups are in fact far from convinced that competitive processes support children, young people and families as best as they can, but if they are to remain the predominant way that the DCSF seeks to drive up service quality and achieve value for money, the Department could do far more to create a level playing field and redress the balance.
- v. These concerns are all the more urgent given the recession and the cuts in public expenditure which will be implemented in the coming years. Currently the Dept spends a great deal of time collecting data about the impact of the recession on the sector but with little visible response. It is clear that VCS services will be in the front line as the reductions in expenditure are implemented year on year, both because statutory funders will secure the jobs of their own employees first and because the

sector delivers a range of preventative services which are perceived as more acceptable to cut. The sector will need the DCSF to show strong, visible and uncompromising leadership if any vestige of the mixed market in children's services is to remain and if the low level sieves which provide a lifeline to so many children young people and families are to survive.

- vi. There are still sections of the DCSF which do not consider the third sector in their policy making or implementation guidance other than as an afterthought. This has damaging unintended consequences. For example the roll out of extended services failed to involve the sector sufficiently in both conception and execution. Many head teachers remain very uncertain about their ability to manage contracts with external providers, and have little understanding of the quality and professionalism of the sector, so they arranged for services to be delivered in house by the school itself, sometimes displacing a long standing community group. This was often nothing to do with the quality of the service offered, or the willingness of the group to revise their services to meet new criteria, but everything to do with head teachers' fear of contracting and the time/resources it would take to manage and quality assure external providers.

We would welcome further consideration by the Department as to how, either using the third sector team, or drawing on strategic partners, dialogue across the whole Department could be improved in the future to aid timely and realistic implementation proposals on a range of priorities.

For more information on our response, please contact Children England's Policy Officer, Emilie Whitaker on 020 7833 3319 or email [emilie@childrenengland.org.uk](mailto:emilie@childrenengland.org.uk).